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WASHINGTON, D.C. - U.S. Rep. Charlie Melancon (D-LA) voted today in support of bipartisan legislation that would place small business owners who are also veterans at the top of the list for receiving federal contracts. The Small Business Contracting Program Improvements Act (H.R. 3867) will eliminate the barriers that veterans face in receiving non-competitive contracts. Service-disabled veteran-owned businesses currently receive less than 1 percent of federal contracts, despite the fact that a 3 percent goal was established in 1999.

The bill also expands opportunities for veteran-owned small businesses to compete for federal contracts by providing these veterans with the necessary tools to tap into the federal procurement process.

"Our veterans have made huge personal sacrifices in order to keep America safe," said Rep. Melancon. "When they return to civilian life, many hope to start a small business. Yet these veterans, who have given so much for their country, receive only a small fraction of government contracts. This legislation will help right this wrong by giving our veterans, especially those who are service-disabled, a leg up in competing for federal contracts. I am proud to support this bill and hope it will assist many veterans in south Louisiana in becoming successful entrepreneurs."

The Small Business Contracting Program Improvements Act is supported by the American Legion, the Veterans of Foreign Wars, and AMVETS.

Rep. Melancon has supported a number of bills this Congress to honor and assist veterans of the armed services. Earlier this year, Rep. Melancon joined his colleagues in the House in passing the 2008 Military Construction & Veterans Affairs Appropriations bill, which included the single largest funding increase in the 77 year history of the Veterans Administration. This historic new commitment of resources will help provide veterans with the health care and benefits promised to them by:

- reducing the 400,000 claims backlog for veterans waiting for disability and other benefits by adding more than 1,100 new claims processors;
- supporting critical maintenance of VA health care facilities to prevent a Walter Reed-type scandal from occurring again;
- providing more funding to help veterans suffering from traumatic brain injury, Post Traumatic Stress Disorder, mental health issues and lost limbs so that they can begin to rebuild their lives.

"We must honor the sacrifices our veterans have made by keeping our promises to them," said Rep. Melancon. "In Congress, I have supported increased funding for veterans' health care and more support for veterans returning from Iraq and Afghanistan with injuries. But supporting our veterans goes beyond ensuring they have quality healthcare. Bills like the Small Business Contracting Program Improvements Act will also help our veterans establish a stable economic future for themselves and their families, and I am proud to vote for it."

In addition to encouraging veterans to more fully participate in government contracting, the Small Business Contracting Program Improvements Act makes critical changes to SBA's federal contracting programs that will open up new opportunities for small businesses. The bill would create a more competitive procurement marketplace and ultimately a better value for taxpayers -- reducing waste and fraud in SBA's contracting initiatives. Some of the provisions will:

Protect taxpayers dollars by reducing waste, fraud, and abuse. To combat fraud and taxpayer waste, the legislation takes several steps. It includes safeguards and business integrity standards that will make sure criminals are not squandering taxpayer dollars. To better promote self-policing, any small business can challenge a contract award. Further, the bill

requires SBA to verify eligibility for the HUBZone program.

Standardize SBA's contracting programs. Under the bill, all procurement initiatives will have both prime and subcontracting goals. Further, the bill increases the size of federal contracts available to small businesses to keep pace with the growth in the federal marketplace. This will ensure that small business owners, including service-disabled veterans, have access to higher dollar contracts.

Expand Opportunities for Women Entrepreneurs. The bill sets out requirements for the SBA to implement the Women's Procurement Program -- to help level the playing field for women-owned businesses in federal contracting -- immediately. Women have been waiting nearly seven years for the SBA to implement this program, while losing tens of billions of dollars in contracting opportunities. Less than 4 percent of 3.3 percent of federal prime contracting was done with women-owned firms in 2005. [Federal Procurement Data System]

Strengthen Community Development. The bill strengthens the HUBZone program - which promotes business in historically underutilized urban and rural areas with lower-than-average incomes -- by verifying that small businesses receiving contracts under its authority are qualified. It further specifies that only local companies can get HUBZone construction contracts.

Modernize the 8(a) Program. The bill modernizes the 8(a) program, which expands opportunities for minority-owned small businesses. The program has not been modernized in 20 years and so the bill includes provisions to make it viable for businesses operating in the current environment. Foremost, the bill updates the current economic eligibility standards for businesses (consistent with inflation) so that we do not penalize companies for success.